

Mutiny

The Bosses' Response to Being Socially Useless is Social Crisis

The crisis of housing takes on many appearances. For the working class, it is emblematic of the continuous erosion of living standards as decades of stagnant wages exist beside decades of increasing rents and home prices. For capital's economic policy experts, it is a peculiarity, caused by mismanagement or a freak externality with the pandemic. As for the capitalists themselves, despite their claims of being socially-useful, it is an opportunity to make a buck off of the misery of the working class. But, beyond these appearances, the crisis of housing is reflective of the total crisis of capitalism itself. It is a crisis that has been moving for decades, exacerbated by the pandemic, and now headed towards a new level of social disaster.

One must understand the depths of the housing crisis within the context of the crisis of profitability that emerged at the end of the last cycle of accumulation in the 1970s. It was in financial speculation and the financialization of housing that capital saw an opportunity to circumvent the low rate of profitability in production. With this context, one can understand the financial crisis of 2008, marked by the subprime mortgage crisis in the American housing market, and it is through this logic that one sees further economic crises such as those of the Eurozone in 2011, Turkey in 2018, and in China today with the failure of Evergrande.

In contrast to the United States, the Canadian property market did not see a collapse post-2008. On the contrary, housing remains a chief means of speculation. Pre-pandemic, Canadian housing bubbles assumed a fairly localized character, particularly regarding Toronto and Vancouver. In just the year of 2015, for example, property values in Vancouver increased over 30%, while in Toronto, they increased 42% in the period from 2014 to 2019. The construction of high-end condominiums, producing the generalization of precarity among wider and wider sections of the working class, marked these price hikes.

This trajectory has been exacerbated and extended by the pandemic. Government policy established massive capital injections and the continuation of low interest rates. While the state strove to stave off complete economic collapse, in the quagmire of low profitability, mired with the stalling of available labour-power, capital flooded towards speculative asset classes.

In the Canadian context, this is primarily housing. What was previously limited to Vancouver and Toronto has now been generalized throughout the Canadian economy. From the start of the pandemic to 2021, Canadian home prices increased by 30%, and in traditional working class neighbourhoods like Verdun, Montreal, rent has spiked by 14%. Throughout the pandemic, housing presents itself as a fragile lifeline for capital; during this period it tallied for 10% of the entire Canadian GDP. With the inflation spike of commodities, the Bank of Canada is in a nervous sweat regarding the current interest rate. Already remarking that they may need to raise interest rates by 2023, capital faces the question: which leg to cut off? The capitalist class, which has long touted its rational character, its entrepreneurial brilliance, and its liberty to deliver humanity from misery, now offers its latest gift: insecure housing. The irony has not been lost on the working class.

The role of real estate as financial

speculation comes into contradiction with the conditions the working class has found itself in throughout the pandemic—mass unemployment, precarity, reduced working hours, and large debts. While landlords and property corporations concentrate their holdings at an ever-increasing price and scale, they find that the corresponding rent hikes they expected as return on "investment" cannot be paid by unemployed and under-paid tenants. In the United States, nearly one in five renters are behind on their rent, of which there are 3.5 million likely to face eviction. Similarly, in Canada, there are 250,000 households in arrears on rent, with high rates of indebtedness in Ontario and the large Prairies cities. No sector of the capitalist economy was truly independent of the pandemic's production crisis. Capital as a vampiric whole seeks to attack the workers' paycheck at the point of rent.

In the midst of the pandemic, the U.S. and Canadian governments implemented a series of temporary and direct relief policies for (nominally) both landlords and tenants. The two primary modes of relief, eviction moratoriums and direct payments, jointly served to stem the tide of mass homelessness amidst widespread lockdowns while guaranteeing landlords and real estate capital its "right" to revenue.

Whether the direct payments are made out to landlords (such as the Biden policy of Emergency Rental Assistance (ERA)), or to tenants (including catch-all relief programs like the Canada Emergency Response Benefit (CERB)), the intended effect is the same; the rule of property over its inhabitants must continue unabated. The central position of real estate in the pandemic economy only strengthens the prioritization of continuous access to profits (and all of the extractive measures that entails).

The temporary nature of the government relief policies is directly tied to pandemic-induced lockdowns and workers' loss of income. When the production crisis was most acute, this secured for capital the minimum subsistence of a future workforce.

However, it became clear that the capitalist so-called "recovery" was marred by labour militancy, entailing walkouts, strikes, and a generalized shortage of labour-power. 64% of Canadian capitalists polled at the end of September report that the accumulation of their capital is hindered by the lack of available labour-power. South of the border, capitalists hired under half of the expected 500,000 workers in the month of September 2021, despite widespread and continued unemployment.

Accordingly, the representatives of productive capital gathered their coercive instruments and targeted the avenues by which the working class can survive independent of wage-labour. The U.S. federal eviction moratorium, a series of orders instituted by the CDC since September of 2020, was scrapped by an August 26th, 2021 Supreme Court ruling amidst large-scale backlash by the capitalist class. The Chamber of Commerce, a representative body of American national capital, pleaded that "the economy has largely rebounded since the emergency moratorium was imposed by the CDC. The most effective solution to making housing affordable is to further reduce unemployment." Meanwhile, Canadian business groups lined up one after the other in anticipation of the October 23rd end of the Canada Recovery Benefit (CRB).

In this assault on the working class, real estate capital leads the charge. In part due to the massive debt accrued via financial speculation, property owners face the acute compulsion to secure heightened profit. This could only mean grand-scale evictions and the replacement of tenants with those willing to pay higher rates.

The interests of land-owning capital and capital engaged in production have aligned in the midst of capitalist "recovery." Their common goal is to force the already-beleaguered working class into saving the economy and their profits through increased labour productivity despite the continuation of the pandemic. The bourgeoisie, which prides itself on its social role of risk-taking, can no longer risk the continued effects of a labour shortage. Instead, it returns to open class warfare. While one part of the capitalist class seeks a return on investment and pursues mass evictions as federal and state-wide bans are lifted, another is elated to find a working class deprived of emergency aid and returning to the reserve army of labour.

However, as shown by working class history, the proletariat has the power to refuse wage-labour and housing rents, disrupting the disastrous and brutal course of capitalist recovery.

The struggle against housing capital is seen in the Parkdale tenant struggles of Toronto. The decades-long process of housing speculation and hiking rents led to a general condition of precarity amongst the workers of Toronto. In 2016, before the pandemic (which the bosses' professional excuse-makers claim is a bolt from the blue!), a staggering 43% of renting households in Ontario had less than one month's worth of income saved. In this context, tenants have found themselves forced into the grip of struggle. Sparked by a landlord's massive rent hike in 2018, Parkdale tenants organized outside the official channels presented by the state and collectively refused to pay rent. The landlord backed down after a three-month struggle. Thus it was demonstrated that the working class can win on its own terms and set the groundwork for future struggles—as can be seen by their slogan, 'keep your rent,' proliferating when the pandemic hit.

"You have to leave. You don't have a choice. It's dangerous for your life and the bank wants you to leave." This phrase exemplifies the process of "renovictions"—the plague of many workers and capital's contribution to social welfare. Renoviction is the process of landlords pushing renovations as a pretext for evictions. The purpose of this process can be summed in three parts: (1) the rapid raising of rent, (2) the flipping of property at a profit, and (3) the investment of stagnant capital in preexisting buildings. To the dismay of landlords and finance, this has not gone unanswered by the working class.

In April 2021, tenants of a 90-apartment building in the Montreal Plateau neighborhood refused to suffer for their landlord's pocketbook and coordinated together to act against the renovation. In NDG in May, in Saint-Léonard in June, and seemingly throughout Montreal, tenants are faced with this massive attack by capital and are thrust into the fight.

Ultimately, despite a quantitative expansion of tenants' struggle, it has yet to produce a mass coalescence. Comparatively, recent large

demonstrations in Berlin against rising rents, despite its reformist limitations, pose an image of generalized housing struggle. Exceeding 20000 participants, it reveals the unity of the struggle beyond individual landlords, buildings, or neighbourhoods. This bridges the understanding that the housing struggle is a struggle of the class as a whole. Crossing such a bridge is vital if our class is to withstand the attacks of capital.

It is important, examining Parkdale tenants and their forms of struggle, to recognize past struggles reflected in it. They opened a break with the all-too-common NGO-dominated pseudo-struggles and the neighbourhood was organized through itself. Some of the most remarkable examples of working-class tenant struggles are when, in deep crises, the mass of local workers flood the streets to stop evictions. Whether it be in the Great Depression, 1970s Quebec, or Oregon 2020, this form assumes that, *en masse*, the local tenants have an immediate recognition of shared fundamental conditions and the need to fight collectively.

Reflecting on such historical situations is crucial given the state of the crisis today. The end of rent moratoriums, inflation, and the capitalist assault on renters—the latter being straddled with debt, unemployment, hostile working conditions, and eviction notices—demands the hastening and extension of the housing struggle as part of wider working-class resistance.

Historically, where the class had a burgeoning consciousness, such as 1970s Quebec, the workplace struggle invigorated the neighbourhood struggle. Labour organizing united the two fronts against the economic and political oppression of the Quebecois, which was conceived as a class problem. The general strikes of '72 and '76 raised the prospect of class power as a whole. This conception inside the working class was not seen as limited to Quebec or even Canada—it was correctly seen as a struggle against the total capitalist mode of production. Such is not to dismiss the period's real limitations and uneven development; nevertheless, fundamental political lessons must be drawn from that experience of deepening class consciousness. This memory of the class struggle remains, and must be reignited if our class is to survive the assault of capital.

As early as 1872, Engels was able to recognize that the crisis in housing, no matter its particular form, is ultimately a crisis of capital itself, stating: "As long as the capitalist mode of production continues to exist it is folly to hope for an isolated solution of the housing question... the solution lies in the abolition of the capitalist mode of production and the appropriation of all the means of life and labor by the working class itself."

The conditions of capitalism necessitate a slew of working-class struggles in self-defence: fights for higher wages and improved working conditions, fights against rent-hikes, evictions, rising prices, and racist police brutality. However, despite the necessity of these defensive struggles, if we are to rid the world of the misery capital places upon our class, they must become a struggle towards the abolition of wage-labour and capital itself. Only by ridding the world of the socially useless class can we address the question of housing in terms of social need.

The Bosses Want a “Return to Normalcy!”

The bosses and the state are determined to make the working class pay for the economic crisis. Despite their nervous outcries claiming that workers are not re-entering the labour market and forcing their hand into giving “unheard-of” wage rates, the reality is that real wages across the board have declined in the face of rising prices. In the United States, the real average wage decreased by .5% from pre-pandemic levels (in actuality, the decrease is even higher since the Fed does not factor in gas and heating prices in inflation), while in Canada it is expected that they will decrease by 1.6%. This phenomenon is not new. In reality, real wages have been stagnant since the mid 1970s despite a massive intensification in general working conditions. Furthermore, the bosses are forcing the working class into dangerous work conditions amidst the pandemic and have sought to increase the tempo of work in order to maintain their profits. This assault has put the working class on the defensive as can be noted by an uptick in strikes and a rise in general combativity.

The squeeze the bosses put on workers is exemplified by the Frito Lay's workers of Topeka, Kansas. Forced to work overtime- twelve hours, seven days a week- in grueling conditions and with stagnant wages, the workers of the Topeka plant found themselves dominated by their employers to the extent that “they didn't even have time to mow their lawns or do their laundry because they were always at work.” Meanwhile, the Frito-Lay workers were forced to continue production after multiple deaths at the assembly line, and during an ice storm were given only kerosene lamps to warm themselves while on the job. In response, they launched a 20-day strike action in July, supported by other workers inside the local community. Although they won some concessions, the contract the union drew up comes with multiple caveats. For example, though they now have a six-day workweek, the Frito-Lay workers can be forced to work a seventh if they refuse overtime for any day during the week. North of the border in Alberta, in the early days of the pandemic, the Cargill meat packing workers found themselves at the mercy of the virus due to decades of deteriorating health and safety standards. With workers being squeezed more and more into tighter spaces, the plant was ripe to become the largest outbreak of the virus at the time. A year later, the Cargill bosses recognized this suffering by locking out the workers in the middle of contract negotiations. While these examples are particularly egregious, they signify a “new normality” for large sections of our class.

The tier system has long been a method by the bosses to ensure profitability by depressing wages and dividing the workers they claim to represent. It has long been a system facilitated by the unions to the peril of the working class. For example, in 2019, General Motors tactically shuttered their plant in Oshawa, Ontario for a year in order to introduce an even more



precarious tier encapsulating 90% of the workforce, slashing wages and benefits for the purpose of maintaining profitability. The union, trapped in its sectoral outlook and tied to the viability of the company to ensure profits, accepted a measly deal protecting only a small section of the workforce.

Throughout this generalized assault on the working class, the state has stood at the ready on behalf of the bosses. Prior to the pandemic, the bosses' elected representatives ‘mediated’ the struggle between the classes brought on by the intensification of capitalist exploitation through the forces of public service and justice. In Canada in 2018, Trudeau declared the illegality for postal workers to strike against an increase of workplace injuries brought on by a rise of parcel packages. Across the Atlantic in the same year, Spanish police brutalized striking Amazon workers boxing those very same packages.

For capital during the convulsions of the current economic crisis, any further interruption in production or circulation cannot be tolerated. The Montreal port workers' strike pushed this anxiety to the limit. Under the condition of extreme working hours, up to nineteen days in a row, the port workers began to push for a strike in 2020, however the CUPE union, in the interest of class peace, agreed to halt all strike actions for seven months. This gave the bosses' state enough time to prepare their next move, drawing up legislation that would make a future strike illegal and temporarily preparing distribution networks to take on extra pressure. Such actions reflect the importance of the port for capital as a whole, especially in this time of crisis. If capital appears as an immense collection of commodities, then ports and other distribution infrastructure are the arteries of its flow. It is clear from its actions that the state will resort to any viciousness to ensure the lifeblood of capital to flow.

In the midst of a greater militancy of the working class, the unions' role has been to contain and dampen working class initiative. The exemplar of this was the struggle of daycare workers across Quebec, which was divided and disrupted by the union apparatuses. Although the daycare workers faced the same worsening conditions at the workplace, the same rising prices at the grocery store, and ballooning rents, the three major unions- the CSN, CSQ, and FTQ- coordinated strike activity independently of each other. Even though the daycare (CPE) workers struck on the same week, they did so on different days, thereby sapping the workers' class strength. Furthermore,

the tactics taken by the unions have themselves been isolating, demoralizing, financially draining and self defeating. Desperate to go to the negotiating table to be told “no” again the unions pursued delaying tactics. Even though the strike mandate was voted in August the unions took their time to take action lest they appear confrontational. The CSN was uninterested in any appearance of militant action while the FTQ divided the workers on a shop to shop basis. These tactics have been the unions' go to for decades and rips the mask of claimed “necessity” from the unions.

The solution to the union suffocation must be workers' self-organization. We can see this stepping stone germinating with the daycare workers of the FTQ. In conversation with those workers, we found that they recognized in our leaflet, “The Generalized Crisis Requires a Generalized Struggle,” the limitation of their own union's action and the need to go beyond it. This was demonstrated when they communicated with each other to go to the CSN's demonstration of their own initiative. Furthermore, at the CSQ picket in front of the Ministere de la Famille, the FTQ workers broke with the constraints placed by the CSQ and led the other workers into the streets. The spontaneous actions taken by the workers themselves must be solidified in their self-organization through the formation of real, working class structures such as strike committees. Through such committees, workers' initiative can open up the possibility for active creativity and the generalization of the struggle on their independent terrain.

The importance of workers' self-organization and self-activity can be seen in the struggles of the Iranian workers today, who now stand as the beating heart of the international

working class.

In contrast to the union domination, lessons can be taken from the oil workers of Iran. Despite open and brutal repression by the Iranian state and its lackeys in organized labour, the Islamic Shuras, the workers created their own Organizing Council and held mass assemblies as their real bodies of class power. Through this Organizing Council, itself a product of workers' solidarity and struggle, wide layers of the working class found common initiative against sectoral division. Not only are such bodies real products of the working class itself: their organizational structure is in sync with the class nature of the working class. Their self-organization along the principles of wide decision-making and active-initiative is in contrast to “representatives” who take their “mandate” and make the decisions. The experience of the Iran workers reveals that the independent self-organization of workers is the lifeblood of the class and that the struggle itself is the school of socialism.

With the global crisis in capitalism seeking to attack the conditions of workers on all continents, the need for a world communist party is apparent. Such an organ is indispensable if we as a class are to unify on an international basis against this international crisis of capital and for the revolutionary transformation of society. For us, this party is not a government in waiting, rather it is an organ capable of connecting the struggles of the past and today to the logical conclusion of the class struggle- abolition of wage-labour and a society organized around social need rather than profit and exploitation.

This party cannot be merely an intellectual group, or even a collection of propaganda cells, rather it must have an active life inside the class and seek to be on the front lines of its battles.

What Does Klasbatalo Fight For?

We fight for the political independence of the working class, which means we reject all cross-class alliances with the capitalist class, including its left-wing. We believe the working class must fight on its own terrain: first, to defend itself against the bosses' attacks; and, second, to achieve its ultimate task, that of establishing the world communist future which will rid the planet of exploitation, oppression, and war. It is towards this goal that we fight for the creation of the world communist party, whose purpose is to clarify the confusions among the class and to unify it towards its ultimate end; we believe this party to be the most potent weapon of our class. While we are for the party, we do not believe ourselves to be the party, nor do we believe that our organization alone will become it; rather, we see it as the product of both the wider class struggle, and of the real work of revolutionaries, of which we see ourselves as only one of many elements. We do not see this party as a government-in-waiting, for the emancipation of humanity depends on the active struggle of the whole working class, and this struggle cannot be replaced by the dictates of a minority.

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